

1 _____ BILL NO. _____

2 INTRODUCED BY _____
3 (Primary Sponsor)

4 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING ELIGIBLE MEMBERS OF THE PUBLIC EMPLOYEES'
5 RETIREMENT SYSTEM'S DEFINED BENEFIT PLAN TO CONVERT UNUSED SICK LEAVE TO EMPLOYER
6 CONTRIBUTIONS FOR THE PURCHASE OF ADDITIONAL RETIREMENT PLAN SERVICE CREDIT."

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8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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10 **NEW SECTION. Section 1. Purchase of retirement service credit with unused sick leave.** (1) Upon
11 a member's termination of employment but before the effective date of retirement, an eligible member
12 may, instead of taking a payout under 2-18-618, elect to have the member's employer contribute to the
13 system's defined benefit plan trust fund an amount equal to 25% of the pay attributable to the member's
14 unused sick leave, plus an additional amount calculated as provided in subsection (2) of this section, for
15 the purchase of additional service credit under the provisions of 19-3-513. The pay attributable to the
16 member's sick leave must be computed on the basis of the member's salary or wage at the time the
17 member terminates employment.

18 (2) In addition to the employer contribution provided for in subsection (1), the employer shall
19 contribute for the member the amount that the employer would have had to pay in payroll taxes had the
20 member elected to receive the cash payment provided for in 2-18-618.

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22 **NEW SECTION. Section 2. Codification instruction.** [Section 1] is intended to be codified as an
23 integral part of Title 19, chapter 3, part 5, and the provisions of Title 19, chapter 3, part 5, apply to
24 [section 1].

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